



The Economic Impact of
Arts & Culture
Study of El Paso, Texas



The arts generate
\$91.5 million
in local Economic Impact.

El Paso is fortunate to be the home of a vibrant creative sector. This study is the first attempt to measure the direct impact of creative activities on El Paso's economy. This arts and culture economic impact study provides compelling new evidence that the creative sector is a significant industry in El Paso - one that generated \$91.5 million in local economic activity in 2007. This economic spending study demonstrates that when we support the arts, we not only enhance our quality of life, but we also invest in El Paso's economic growth.

This study was conducted by Americans for the Arts with the support of the El Paso Electric Company, the University of Texas at El Paso (UTEP) Institute of Policy and Economic Development and the City of Museums and Cultural Affairs Department.

Economic Impact of the entire Arts and Culture Industry in El Paso County

\$91.5 was the total amount spent by El Paso arts and culture organizations and their audiences in 2007.

- **The direct economic impact** refers to the effect expenditures have on a local economy.
- **The total economic impact** is the combination of the direct and the indirect economic impacts.
- **The indirect economic impact** refers to these expenses have on the economy once the money eventually "leaks out" of the region (i.e. is spent outside of the County of El Paso).

The following table shows the direct and total economic impacts.

	Direct Economic Impact of the Arts and Culture Industry in El Paso County (Spending by Arts & Culture Organizations & Their Audiences)	Total Economic Impact of the Arts and Culture Industry in El Paso County (Spending by Arts & Culture Organizations & Their Audiences)
Total Expenditures	\$ 91,464,687	\$ 91,464,687
Full- Time Equivalent Jobs	1,330	2,532
Resident Household Income	\$ 25,401,000	\$ 49,507,000
Local Government Revenue	\$ 1,896,000	\$ 4,493,000
State Government Revenue	\$ 2,909,000	\$ 5,144,000



Economic Impact of spending by Arts and Culture Organizations in El Paso County

Arts and culture organizations are active contributors to the business community. They are employers, producers and consumers. They are members of the Chamber of Commerce as well as key partners in the marketing and promoting of their cities, regions and states. Spending by arts and culture organizations totaled \$44.1 million in El Paso County during 2007. This spending is far-reaching: organizations pay employees, purchase supplies, contract for services and acquire assets within their community. These actions, in turn, support jobs, create household income, and generate revenue to the local and state governments.

Data was collected from 65 arts and culture organizations in El Paso County. Each provided detailed budget information about more than 40 expenditure categories for fiscal year 2007 (e.g., labor, payments to local and non-local artists, operations, materials, facilities and asset acquisition) as well as their total attendance figures. The following table demonstrates the direct, total impact of this spending.

Arts & Culture Organizations Economic Impact

The Direct Impact reflects the expenditures made by the organizations to present their events and programs. The Total Impact is the additional economic activity generated in the community resulting from these expenditures.

	Direct Economic Impact of Spending by Arts & Culture Organizations in El Paso County (excluding the cost of admission)	Total Economic Impact of Spending by Arts & Culture Organizations in El Paso County (excluding the cost of admission)
Total Expenditures	\$ 44,126,595	\$ 44,126,595
Full- Time Equivalent Jobs	505	1,369
Resident Household Income	\$ 10,500,000	\$ 23,494,000
Local Government Revenue	\$ 384,000	\$ 1,456,000
State Government Revenue	\$ 237,000	\$ 1,173,000

Economic Impact of spending by Arts and Culture Audiences in El Paso County

The arts and culture industry leverages a significant amount of event related spending by its audiences. For example, when patrons attend an arts and culture event, they park their car in a garage, purchase dinner at a restaurant, eat dessert after the show and some pay a baby-sitter upon their return home. This spending generates related commerce for local businesses such as restaurants, parking garages, hotels and retail stores.

The data was collected from 946 patrons that completed a survey about their event related spending. The 65 arts and culture organizations that responded to a detailed organizational survey reported an aggregate attendance of 1.9 million. These attendees spent a total of \$47.4 million excluding the cost of event admission.

The Arts & Culture exemplify the wealth of the region, and we are fortunate to have so much in ours. Now we need to develop the infrastructure to show it to the world.

-Miguel Fernandez Stevenson,
Owner, Transtelco

Audience Impact- The Direct Impact is the spending done by attendees in conjunction with the event or performance. The Total Economic Impact is the additional economic activity generated in the community as a consequence of attendee spending.

	Direct Economic Impact of Spending by Arts & Culture Audiences in El Paso County (excluding the cost of admission)	Total Economic Impact of Spending by Arts & Culture Audiences in El Paso County (excluding the cost of admission)
Total Expenditures	\$ 47,388,092	\$ 47,388,092
Full- Time Equivalent Jobs	825	1,163
Resident Household Income	\$ 14,901,000	\$ 26,013,000
Local Government Revenue	\$ 1,512,000	\$ 3,037,000
State Government Revenue	\$ 2,672,000	\$ 3,971,000

Visitors Spend More

Patrons were also asked to provide the zip-code of their primary residence to determine which attendees were local residents or out of town visitors. 82.9% of the 1.9 million patrons were local; 17.1% were non-local.

Non-local arts and culture event attendees spent an average of 195% more than local attendees per person (\$54.64 vs. \$18.50). This data demonstrates that when a community attracts cultural tourists, it reaps larger economic rewards.

Event-Related Spending by arts & culture event attendees totaled \$47.7 million in El Paso County (*excluding the cost of admission*).

	Residents	Non-Residents
Total Attendance	1,590,087	327,992
Percent of Attendees	82.9%	17.1%
Average Dollars Spent Per Attendee	\$ 18.50	\$ 54.64
Total Event-Related Spending	\$ 29,416,608	\$ 17,921,484

Arts & Culture Event Attendees spend an Average of \$24.68 per person in El Paso County (*excluding the cost of admission*).

	Residents	Non-Residents
Refreshments/Snacks During Event	\$ 4.81	\$ 6.57
Meals Before/After Event	\$ 6.19	\$ 15.27
Souvenirs & Gifts	\$ 2.12	\$ 5.37
Clothing & Accessories	\$ 2.13	\$ 2.68
Ground Transportation	\$ 2.03	\$ 6.14
Event-Related Child Care	\$ 0.43	\$ 0.05
Overnight Lodging (1 night only)	\$ 0.58	\$ 18.28
Other	\$ 0.21	\$ 0.28
Total Per Person Spending	\$ 18.50	\$ 54.64

The arts are crucial for economic development, not just because of the money they bring a community through sales and exhibits, but by creating an exciting place to live and work. Today economic development is just as concerned with attracting talented individuals as attracting companies, and a strong arts community allows talent to thrive.

-Kathryn B. Dodson
Economic Development Director, City of El Paso

Investment Reaps Dividends

El Paso - \$91 Million

2,532 Jobs

\$5 Million
in Transportation Revenue

\$6 Million
in Hotel Revenue

\$25 Million
in Restaurant / Bar Revenue

\$4.4 Million
in Local Government Revenue

When you bring artists into a town, it changes the character, attracts economic development, makes it more attractive to live in and renews the economics of the town, there are ways to draw artists into the center of things that will attract other people.

-Rocco Landesman Director,
National Endowment for the Arts